



MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

EMPLOYMENT TRENDS

The Magic Valley Labor Market Area's seasonally-adjusted unemployment rate for May 2002 was 3.8 percent. This rate is unchanged from April 2002 and down two-tenths of a percentage point from May 2001. The number of unemployed persons decreased by 100 persons year-over-year and decreased by 20 from April 2002 to May 2002. *Nonfarm Payroll Jobs* increased by 0.8 percent year-over-year and was unchanged from April 2002 to May 2002. The largest increase was in the *Services* sector with an 8.5 percent increase from last year. *Transportation, Communication, and Utilities* also increased by 1.5 percent. Some of the significant decreases include *Government-Education, Retail Trade, and Manufacturing-Other Durable Goods* with decreases of 3.7 percent, 2.0 percent, and 4.8 percent, respectively.

Job growth has flattened out somewhat from past months although the increase in the *Services* sector was sufficient to keep the trend positive. Cutbacks in state funding have caused *Government-Education* to decrease significantly, and this trend will likely worsen as more school districts cut staffing. However, the low unemployment rate and strong consumer confidence in the Magic Valley are keeping the area's economy fairly strong. The Twin Falls area continues to outpace the rest of the state in business construction and new housing starts. New retailers have opened in Twin Falls and new jobs have been created in that sector. Technology job growth has been strong with Dell Computers continuing to hire both customer assistance and technical support personnel. Agricultural hiring has been strong despite major concerns in the Mini-Cassia area caused by the announced closure of the J.R. Simplot Company in Heyburn. A cool spring has somewhat eased water concerns and it appears that water supplies should be adequate for all crops. Despite continuing concern about state budget cutbacks, the Magic Valley economy continues to perform well, and job growth continues.

Magic Valley Table 1: Labor Force & Employment
Twin Falls, Jerome, and Gooding counties

| | May 2002* | April 2002 | May 2001 | % Change From | |
|-------------------------------------|--------------|---------------|-------------|---------------|--------------|
| | | | | Last Month | Last Year |
| INDIVIDUALS BY PLACE OF RESIDENCE | | | | | |
| Seasonally Adjusted | | | | | |
| Civilian Labor Force | 50,180 | 51,110 | 49,630 | -1.8 | 1.1 |
| Unemployment | 1,910 | 1,930 | 2,010 | -1.0 | -5.0 |
| % of Labor Force Unemployed | 3.8 | 3.8 | 4.0 | | |
| Total Employment | 48,270 | 49,180 | 47,620 | -1.9 | 1.4 |
| Unadjusted | | | | | |
| Civilian Labor Force | 50,440 | 50,300 | 49,860 | 0.3 | 1.2 |
| Unemployment | 1,760 | 1,840 | 1,830 | -4.3 | -3.8 |
| % of Labor Force Unemployed | 3.5 | 3.7 | 3.7 | | |
| Total Employment | 48,680 | 48,460 | 48,030 | 0.5 | 1.4 |
| JOBS BY PLACE OF WORK | | | | | |
| Nonfarm Payroll Jobs** | 39,280 | 39,280 | 38,960 | 0.0 | 0.8 |
| Goods-Producing Industries | 6,840 | 6,750 | 6,990 | 1.3 | -2.1 |
| Mining & Construction | 1,900 | 1,810 | 1,960 | 5.0 | -3.1 |
| Manufacturing | 4,940 | 4,940 | 5,030 | 0.0 | -1.8 |
| Durable Goods | 890 | 890 | 880 | 0.0 | 1.1 |
| Nondurable Goods | 4,050 | 4,050 | 4,150 | 0.0 | -2.4 |
| Food Processing | 3,060 | 3,060 | 3,110 | 0.0 | -1.6 |
| All Other Nondurable Goods | 990 | 990 | 1,040 | 0.0 | -4.8 |
| Service-Producing Industries | 32,440 | 32,530 | 31,970 | -0.3 | 1.5 |
| Transportation, Comm., & Utilities | 2,680 | 2,680 | 2,640 | 0.0 | 1.5 |
| Wholesale Trade | 2,340 | 2,340 | 2,330 | 0.0 | 0.4 |
| Retail Trade | 8,190 | 8,080 | 8,360 | 1.4 | -2.0 |
| Finance, Insurance, & Real Estate | 1,330 | 1,350 | 1,370 | -1.5 | -2.9 |
| Services | 10,370 | 10,440 | 9,560 | -0.7 | 8.5 |
| Government Administration | 3,860 | 3,760 | 3,900 | 2.7 | -1.0 |
| Government Education | 3,670 | 3,880 | 3,810 | -5.4 | -3.7 |

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

AREA DEVELOPMENTS

Twin Falls County

- Golden Corral Restaurant franchisee Jeff Casey of Boise has applied for a building permit to construct a Golden Corral Restaurant in the Canyon Park West development. Casey Ole International applied to build an 8,925-square-foot restaurant at 1823 Blue Lakes Boulevard North on the northeast corner of the Blue Lakes-Canyon Springs Road intersection.
- Idaho Custom Doors, Inc., a subsidiary of W.R. Clay, Inc., received an \$8,000 grant from the Twin Falls Chamber of Commerce's Business Plus II program to assist in expanding its business by an additional 8,000-square feet and expanding its staff from three to nine workers. Idaho Custom Doors, Inc. makes custom wooden doors, entries, moldings, and flooring for homes and sells them in Sun Valley, Idaho; Jackson Hole, Wyoming; California; and the Yellowstone area.

Jerome, Gooding, Blaine, Lincoln, and Camas Counties

- EE-DA-HOW Specialties, a specialty dairy processor near the center of Jerome, plans to expand its facility significantly in 2002. The initial construction will add 30,000-square feet of warehousing for raw materials and finished products. That will bring the size of the Jerome facility to more than 130,000-square feet. EE-DA-HOW buys cheese from Magic Valley cheese plants and others around the northwest, grinds it, melts it, and adds other ingredients to the mixture, which is then dried into a powder. The ingredients are used by Idaho potato companies for au gratin or scalloped potato mixes, or for snacks made in Pennsylvania, Michigan, California, Asia, and the Middle East.
- WOW Logistics, Inc., held a ground-breaking ceremony for its new 250,000-square-foot warehouse facility to be built near Jerome Cheese in Jerome. Governor Dirk Kempthorne, Idaho Department of Labor Director Roger Madsen, and Idaho Department of Commerce Director Gary Mahn joined local state and business leaders to welcome WOW Logistics to Idaho. The Jerome location is the first for the company outside of Wisconsin. WOW, which stands for Warehousing of Wisconsin, will help with logistics and transportation for many Idaho firms including Jerome Cheese.
- St. Benedicts Family Medical Center will be renovated in preparation for new tenants, thanks to a \$290,000 U.S. Housing and Urban Development grant it received. St. Benedicts, which is owned by St. Alphonsus Regional Medical Center of Boise, has announced that it will build a new hospital complex at Crossroads Ranch near the intersection of U.S. Highway 93 and Interstate 84. The renovation of the old facility will include installing a new generator, wiring, energy efficient windows, hot water tank, and window air conditioners. The sprinkler system will be expanded, asbestos around plumbing will be removed, and the roof will be repaired. The hospital will benefit from the renovation until the new facility is finished in about three years. Then the site will be available as an office complex for new tenants as an economic development tool.
- The Gooding County Planning and Zoning Commission gave unanimous approval to Jerome Cheese's application to pipe its wastewater to Gooding County and to build a 950-acre wastewater processing and public education facility. The plan calls for sending about a million gallons of wastewater per day through seven miles of pipe from the plant outside Jerome to the 950-acre site in southern Gooding County. There the treatment plant will extract nutrients from the water and convert them to fertilizer.
- The Walker Center in Gooding broke ground on a new 32-bed adult and 16-bed adolescent housing facility to be completed by March 2003. The \$4.5 million

project is being financed in part by a \$1 million guaranteed loan from the U.S. Department of Agriculture's Rural Development Fund, a \$1 million donation from Archie and Amy Walker, and a \$363,000 Community Development Block Grant secured by the City of Gooding based on the 44 jobs the new facility will create. The Walker Center treats both adult and adolescents who have drug and alcohol addictions.

- The Hailey City Council approved a dark sky ordinance after months of debate over the issue. The ordinance specifies that outdoor lights greater than forty watts must be shielded. Ketchum, 11 miles to the north, adopted a similar ordinance in 1999 and other cities in the area are considering such a proposal. Homeowners in Hailey will have one year to comply with the ordinance. Businesses in the area will have three years to comply. The dark sky ordinances have been adopted so that residents and tourists can have an excellent view of the beautiful night sky in the mountain areas.
- A report by the Rees Consulting Group, commissioned by the Blaine County Housing Authority, has shown that Blaine County needs an additional 665 homes to provide housing for employees who operate ski lifts and work in other service jobs. This figure is up from 580 homes specified in a 1997 report. Of the 665-home deficit, 473 are needed to house existing employees and 192 are needed to accommodate workers who would fill vacant jobs. The report does not include housing for workers who commute from outside the county or are overcrowded in existing homes.

Cassia and Minidoka Counties

- The Burley Kmart closed permanently on May 26. This closure has displaced over 75 full- and part-time workers. Most of the Kmart employees worked until the closure. Real estate agents will be looking to place a new business tenant in the 91,266-square-foot building and are hopeful that the empty store will be a useful economic development tool to attract new businesses into the Mini-Cassia area.
- The Mini-Cassia Job Service has opened a temporary satellite office at the J.R. Simplot facility in Heyburn to assist Simplot workers as they are displaced by the recently announced closure. Job Service personnel are staffing the office from 6:30 to 9:30 a.m. and 2:30 to 5:30 p.m. five days a week. Job Service staff are assisting in unemployment applications, career counseling, and retraining assistance.

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